

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Cross-Ownership of Broadcast Stations and	)	MM Docket No. 01-235
Newspapers	)	
	)	
Newspaper/Radio Cross-Ownership	)	MM Docket 96-197
Waiver Policy	)	

**Comment of  
Harold C. Reeder, Esq.**

This is in response to the Federal Communications Commission's request for comment on whether and to what extent it should revise its cross-ownership rule that bars common ownership of a broadcast station and a daily newspaper in the same market. I oppose any revisions to the Commission's newspaper/broadcast cross-ownership rule and comment as follows:

1. The media has not presented this issue—whether the newspaper/broadcast cross-ownership rule should be retained and/or revised—to the public. There has been little or no discussion about this issue in the media and certainly no critical examination of it. The average American is probably unaware that these proceedings are taking place. Unlike some issues that may come before the Commission, this is one that most Americans would probably be interested in and whose opinion on could be most insightful and helpful. The fact that the media has chosen not to present this issue to the public is both troubling and significant. I do not believe that any rule change would be appropriate solely on this basis.

2. Incidentally, the media's poor performance in regard to discussion of this rule and the fact that American citizens lack knowledge about it are illustrative of the type of problems that are commonly associated with cross-ownership. Research indicates that cross-ownership may result in poor media performance and less knowledgeable citizens. *See* Fuido H. Stempel III, "Effects on Performance of Cross-Media Monopoly," *Journalism Monographs*, No. 29, June 1973; William T. Gromley, *The Effects of Newspaper-Television Cross-Ownership on News Homogeneity* (Chapel Hill, NC: UNC, 1976). I believe the Commission should obtain additional research on these issues before making any change to the newspaper/broadcast cross-ownership rule.

3. It is important to understand that newspapers play a special role in our society. They are not the same as other businesses as they are absolutely crucial to a free and self-governing nation. People rely on newspapers to provide them with ideas and opinions that will help them answer social and political questions. In this regard, this is true for newspapers more so than it is for the broadcast industry. This is probably due in large part to differences in the nature of the two mediums. The fact that newspapers play a special role is the reason why they have been given special antitrust consideration. Further, unlike the broadcast media there is no direct government regulation of the newspaper industry. The special role of newspapers must be taken into consideration.

4. The Commission's stated reasons for modifying the newspaper/broadcast cross-ownership rule do not appear very strong. In this regard, the Commission itself makes two important admissions. One, it admits that the rule has performed a necessary function in maintaining a critical threshold of local viewpoint diversity. Two, the Commission also admits that television and newspapers are still the dominant sources of local news and information in any given market.

In addition, the purported "sweeping changes in the market place" referenced by the Commission do not appear to be sufficient reason for modifying the rule. These other media outlets clearly have not proven themselves yet to be substitutes for local news and information. Cable and DBS have not ventured into local news. Serious radio reporting today is practically nonexistent. Even those radio stations that call themselves "news radio" are in reality virtually just talk shows. Further, newspapers have clearly embraced the outlet that shows the most promise, the Internet. Newspapers and other giant media firms clearly have the product, the advertisers, the promotional prowess, and the capital to rule the Internet in regard to local news.

It is important to understand that even local TV news is not a good substitute for newspapers with respect to local news although more people may watch local TV news than read newspapers. People use newspapers for surveillance (i.e., keeping up with what is going on at city hall) and for decision-making (i.e., help with regard to who to vote for) while local TV news is mostly about crime, mayhem and disaster and gives scant attention to those matters.

The Commission's suggestion that the rule might be undermined in certain instances is also questionable. Radio purportedly already rips off newspapers for their stories now. Thus, the fact that they could do so legitimately if there was co-ownership with a newspaper is not going to add much. In addition, the claim that TV stations might offer more local news and information if they could realize efficiencies from cross-ownership with a newspaper is most debatable because of the fundamental differences between the two mediums. The basic facts of TV life is that local TV news is about ratings, that this is the reason the programs feature crime, mayhem and disaster, and that no station could survive covering school board meetings and the like.

The Commission's further suggestion that a rule change might help struggling newspapers is also unpersuasive as its waiver policies in regard to the current rule would appear could be applicable in such a situation.

5. A final reason the newspaper/broadcast cross-ownership rule should not be revised or eliminated is because this will help neither diversity nor competition. The rule functions to maintain a critical threshold of local view point diversity and to allow a newspaper to own a radio/television station in the same market is certainly not going to assist in this regard. It is equally clear that to eliminate or weaken the rule to allow further concentration of ownership of the media will probably also not help competition.

Respectfully submitted,

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